$\mbox{P-999/C-88-310DISMISSING}$ COMPLAINTS AGAINST DERACOM, INC. AND DAROME CONNECTION, INC.

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Barbara Beerhalter Chair
Cynthia A. Kitlinski Commissioner
Norma McKanna Commissioner
Robert J. O'Keefe Commissioner
Darrel L. Peterson Commissioner

In the Matter of the Investigation by the Minnesota Public Utilities Commission Into the Provision of Telephone Conference Call Services ISSUE DATE: December 23, 1988

DOCKET NO. P-999/C-88-310

ORDER DISMISSING COMPLAINTS AGAINST DERACOM, INC. AND DAROME CONNECTION, INC.

PROCEDURAL HISTORY

On May 10, 1988 the Department of Public Service (the Department) filed a formal complaint under Minn. Rules, part 7830.0300, alleging that certain named telephone companies were offering intrastate conference call service without Commission authorization. On May 19, 1988 the Commission issued its Order to Respond to Complaint or to Grant the Relief it Requests to four companies, including Darome Connection, Inc. (Darome) and DeraCom, Inc. (DeraCom).

Both Darome and DeraCom filed responses to the complaint and provided the information the Department needed to complete its investigation of the two companies. The Department subsequently filed motions to dismiss its complaint against both companies on grounds that any intrastate business they conducted was unintentional and <u>de minimus</u>. Darome and DeraCom joined in the Department's motions to dismiss.

The matter came before the Commission on December 6, 1988.

FINDINGS AND CONCLUSIONS

The Commission agrees with the Department and the companies that DeraCom and Darome need not secure Commission authorization to continue offering conference call services to Minnesota residents. Nearly all calls placed with both companies are interstate or international calls over which the Commission has no jurisdiction. The companies consider intrastate business purely incidental to their primary business, which is providing interstate and international conference call services.

They do not target any of their marketing efforts at intrastate customers. They do not decline intrastate business, but they receive very little, in large part because they do not encourage it. During the first quarter of 1988 Darome handled only seven intrastate calls; DeraCom believes it has never handled an intrastate call.

The Commission finds that, at present, the provision of intrastate services by these two companies is so infrequent, and constitutes such an insignificant part of the intrastate market, that regulation by the Commission is unnecessary. The Commission will not require DeraCom and Darome to fulfill the regulatory requirements imposed on intrastate conference call service providers.

The Department will continue to monitor the provision of intrastate conference call services, however, and will promptly bring to the attention of the Commission any facts suggesting that either of these two companies should be required to comply with Minnesota regulatory requirements.

ORDER

- 1. The Complaint of the Department of Public Service against DeraCom, Inc., dated May 19, 1988, is hereby dismissed.
- 2. The Complaint of the Department of Public Service against Darome Connection, Inc., dated May 19, 1988, is hereby dismissed.
- 3. The Department of Public Service shall continue to monitor the provision of intrastate conference call services and shall promptly bring to the attention of the Commission any facts suggesting that DeraCom, Inc. or Darome Connection, Inc. should be required to comply with Minnesota regulatory requirements.
- 4. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Mary Ellen Hennen Executive Secretary

(SEAL)